

AUDIT PAYMENT INFORMATION

The figures you have received from our auditor regarding the audit of your account are the auditor's proposed recommendation for determination, and are subject to further review by our staff. After the review process is complete, you will receive a *Notice of Determination*, which is the official billing notice for audit liabilities. Considering the time necessary for review of the audit and the issuance of the Notice of Determination, several weeks may pass before you receive your official billing notice during which time additional interest may accrue.

You may, however, pay all or part of the proposed audit liability before receiving the Notice of Determination. You may make an advance payment of the total liability or only a portion. This payment may be made even if you disagree with the audit findings. The primary advantage to paying your audit liability early is to stop the accrual of additional interest. Interest continues to accrue on all unpaid tax liabilities until paid. *Currently, additional interest accrues on **sales and use tax** liabilities on the first day of each month. For other tax and fee liabilities, interest accrues at different times depending upon the tax program.* Even if you decide not to pay *all* of the proposed liability early, payment of the *tax* portion will stop the accrual of interest. Interest does not accrue on the interest or penalty portions of your audit liability. Advance payment of a portion of the *tax* will also reduce the amount of interest that will accrue.

Advance audit payments may be sent to your local Board of Equalization district office, or to the Board of Equalization Headquarters office at the following address:

Cashier Unit
Board of Equalization
450 N Street MIC:13
PO Box 942879
Sacramento CA 94279-0013

To make an early payment of a proposed audit liability, please include the following information with your remittance:

- Your permit number with the Board.
- Your name as it appears on your permit.
- The statement "Payment on audit not yet billed," or other similar statement.
- The period covered by the audit. (Example: 1-1-99 to 12-31-01)

Payments for sales and use tax audit liabilities must be postmarked no later than the last day of the month to prevent additional interest from accruing. To prevent the accrual of additional interest for other tax and fee programs, payments for audit liabilities must be postmarked no later than the day of the month that the returns are normally due. *If you wish to make an advance payment towards a proposed audit liability, please do not include such payment with your regular tax returns or prepayments.*

For your convenience, you may complete the cut-off form provided below and return it with your payment. Remember, advance audit payments may be in any amount, such as the entire liability, only the tax portion, or only the amount with which you agree. Please also note that paying your audit liability early will not in any way affect your right to protest portions of the audit with which you do not agree or your right to receive a refund resulting from a reduction in your audit liability.



THE ATTACHED PAYMENT IS FOR AN AUDIT NOT YET BILLED

 NAME

 PERMIT NO.

 AUDIT PERIOD

 AMOUNT ENCLOSED
